

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION**

**Call to Order:** By **CHAIRMAN JOHN WITT**, on January 31, 2001 at 8.00 A.M., in Room 102 Capitol.

#### **ROLL CALL**

**Members Present:**

Rep. John Witt, Chairman (R)  
Sen. Ken Miller, Vice Chairman (R)  
Rep. Rosalie (Rosie) Buzzas (D)  
Sen. Greg Jergeson (D)  
Sen. Royal Johnson (R)  
Rep. Art Peterson (R)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Mark Bruno, OBPP  
Amy Carlson, OBPP  
Pam Joehler, Legislative Branch  
Cayenna Johnson, Committee Secretary

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: Montana State University  
1/31/01  
Executive Action:

#### **Hearing for Montana State University**

***{Tape : 1; Side : A; Approx. Time Counter : 3.1; 8:06 a.m.}***

**Agency Overview:**

Montana State University passed out the following exhibit entitled "Montana State University: Report to the Legislature" which all MSU presenters followed via PowerPoint presentation:

**EXHIBIT(jeh25a01)**

**Geoff Gamble, President MSU**, spoke in conjunction with pages 1-5 of exhibit (1). **Dr. Gamble's** testimony can be found in the following:

**EXHIBIT(jeh25a02)**

*{Tape : 1; Side : A; Approx. Time Counter : 28.6; 8:30}*

**Dave Dooley, Provost and Vice President of Academic Affairs, MSU**, testified in conjunction with pages 6-13 of exhibit (1). His testimony can be found in the following:

**EXHIBIT(jeh25a03)**

*{Tape : 1; Side : B; Approx. Time Counter : 21.0; 9:12 a.m.}*

**Ron Sexton, Chancellor MSU-Billings**, testified in conjunction with pages 1-20 under the section entitled "Billings" in exhibit (1).

*{Tape : 2; Side : A; Approx. Time Counter : 17.1; 9:40 a.m.}*

**Dr. Sexton** introduced **Dr. Michael Schaer, CEO Computers Unlimited** at slide 41 on page 14 of exhibit (1). He stated that he started Computers Unlimited in 1978 and has since seen a great deal of change. He testified that his company is very reliant on the Montana Higher Education System for his employees. Of 135 employees, 35 are from MSU Billings, 11 from MSU Bozeman, 7 from Montana Tech, 3 from Rocky Mountain College, 3 from University of Montana and 2 from Carroll College. 98% of **Dr. Schaer's** customers come from out-of-state and bring in approximately \$1.2 million per month. Computers Unlimited can't compete with out-of-state employers and the company grows at the rate they get people. He asks that the committee fund Montana Higher Education to put Montana University Systems on the slope of leading the top universities in the nation.

*{Tape : 2; Side : A; Approx. Time Counter : 23.1; 9:46 a.m.}*

**Dr. Sexton** continued his presentation. He stated to the committee that when a partner does well, you begin to expect more from him. This is true of Montana taxpayers and the Montana private sector. They expect Montana higher education to meet the changes that businesses face. **Dr. Sexton** stated that business can only grow and prosper to the extent higher education is able to grow and prosper.

**{Tape : 2; Side : B; Approx. Time Counter : 0;}**

**Alex Capdeville, Chancellor MSU-Northern**, testified that students select MSU, Northern because it's small and user friendly. Some challenges MSU, Northern face are the high costs of non-resident tuition. Canada is very close and these high costs limit a potential market for MSU, Northern. Additionally, residence halls are old and hasn't changed much since the early 1970's. This also deters potential traditional aged students from attending MSU, Northern.

**{Tape : 2; Side : B; Approx. Time Counter : 17.7; 10:15 a.m.}**

During **Dr. Capdeville's** presentation, the testimony of four MSU, Northern students were incorporated into the PowerPoint presentations. These students are **Anna Fabatz, Kevin Mathweg, Misty Blue Mesteth, Bruce L. Patera** and **Maggie A. Woods**. They testified that attending MSU, Northern was an excellent choice for them due to it's small class size and relevant subject matter. They spoke in support of providing funding to MSU schools.

*Note: Sen. Johnson and Sen. Miller were not present from 10:25-11:00 a.m.*

**{Tape : 3; Side : A; Approx. Time Counter : 0; 10:30 a.m.}**

**Will Weaver, Dean, MSU Great Falls College of Technology (MSUGF)**, testified in conjunction with pages 1-10 of **exhibit (1)** entitled "College of Technology-Great Falls". His personal testimony can be found in the following:

**EXHIBIT (jeh25a04)**

He testified that some challenges they face are the global pay plan 4% increase which if only funded 50% by the legislature will cost MSUGF \$154,000 in the next biennium. The 4% Vacancy Savings will costs MSUGF \$110,000 in the next biennium and stated that with the growth MSUGF has seen, vacant positions will only cause students to suffer. **Dr. Warner** stated the greatest challenges MSUGF were facing are accessability, space limitations and faculty recruitment. He also stated that in 2001 MSUGF had received over \$30,000 in new grants and was actively trying to meld the division between K-12 and 2-year colleges. He also reminded the committee to look at the MSUGF "Highlights 1999-2001".

**EXHIBIT (jeh25a05)**

**{Tape : 3; Side : A; Approx. Time Counter : 23.8; 11:00 a.m.}**

In closing, **President Gamble** thanked the committee and stated that he wanted to present a clear picture of the challenges and accomplishments of MSU campuses. He said MSU was prepared to meet the challenges of Montana.

**Proponent Testimony:**

**Dustin Stewart**, representing the students of MSU, Great Falls and MSU, Bozeman, stated that students have just as much as stake as Montana tax payers. Students also want to see their tuition money invested wisely. He also stated that education was a way in which Montana citizens could more easily increase their income. He also presented the following:

**EXHIBIT(jeh25a06)**

*{Tape : 3; Side : B; Approx. Time Counter : 6.3; 11:06 a.m.}*

**Kevin Halverson**, from Pendroy, Montana, is a sophomore in computer programing at MSU, Bozeman. He stated that tax-payer's money isn't wasted in higher education and urges the support of the legislation to keep tuition costs down. His testimony is the following:

**EXHIBIT(jeh25a07)**

**Kathy McCleary**, testified her support of financial requests for MSU campuses. She said employers like MSU graduates. Her testimony can be found in the following:

**EXHIBIT(jeh25a08)**

**Linette Scriber**, student from MSU Billings, testified that her school provided excellent classes. Presently she pays for school with student loans, summer jobs and help from parents. She says if tuition increases many students will not receive the same opportunity she has due to being unable to pay the high cost of tuition.

**Peter Molinski**, is a engineering student from MSU, Bozeman. He testified that when he decided on which university to attend, he found that MSU offered everything he needed. Schools offering comparable programs like Cal Poly or MIT had many classes taught by graduate students. He urged the support of MSU for greater funding.

**Committee Questions and Answers:**

*{Tape : 3; Side : B; Approx. Time Counter : 19.2}*

**CHAIRMAN WITT** asked **Dr. Schaer** to explain why it was easy for him to recruit IT employees when other agency proponents have claimed otherwise. **Dr. Schaer** explained that it was difficult for him to recruit employees but that he offered a good job to people wanting to work in Montana. At **SEN. JOHNSON'S** request, he explained that in California the starting wage is between \$40,000-\$50,000 per year; not the \$70,000 rumored. The starting wage at Computers Unlimited is \$30,000 per year. He said he can't hire people from California for \$80,000 because it disrupts the whole payment scheme.

**REP. PETERSON** asked **Provost Dooley** whether Montana State Universities were making a concerted effort to develop foreign markets in agriculture export. **Provost Dooley** explained that although in the past MSU hasn't investigated these markets to their full extent, but were now working to exploit foreign agriculture trade and specialty markets.

**V. CHAIR MILLER** referenced the slide entitled "Campuses Impact on Montana" [**exhibit (1)**, page 5] and asked **President Gamble** whether he had statistics on what the economic impact of MSU student spending has been on communities such as Bozeman and surrounding areas. Although **President Gamble** didn't have the information at that time, he stated he thought a like study would be important and passed out the following:

**EXHIBIT(jeh25a09), EXHIBIT(jeh25a10)**

*{Tape : 3; Side : B; Approx. Time Counter : 26.1}*

**ADJOURNMENT**

Adjournment: 11.45 A.M.

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REP. JOHN WITT, Chairman

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CAYENNA JOHNSON, Secretary

JW/CJ

**EXHIBIT** (jeh25aad)